

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

ILLINOIS BELL TELEPHONE COMPANY (SBC Illinois),)	
Petitioner,)	
)	04-0441
Petition for Variance Pursuant to)	
Part 735 of the Commission's Rules)	

BRIEF OF SBC ILLINOIS IN SUPPORT OF PETITION

Illinois Bell Telephone Company (“SBC Illinois”) initiated this docket to obtain a variance from certain requirements of 83 Ill. Admin. Code § 735.70(b)(1)(G). The variance is necessary to allow SBC Illinois to implement, for interested customers who have purchased packages that include unlimited toll calling, a billing option under which detailed information about toll calls is suppressed. Because SBC Illinois meets the requirements for a variance under 83 Ill. Admin. Code § 735.50, the Commission should grant the petition.

Background

SBC Illinois’ proposed billing option would allow it to change the presentation of toll calling information on customers’ bills. Under the current bill format, detailed information on local toll and long distance calls is presented, including the date and time of the call, the place called (the destination), the telephone number called, the length of the call in minutes, and the charge (collectively, “call detail”). See SBC Illinois Ex. 1.0 (Becker) at 2. Under this format, the charge for each call included as a part of an unlimited plan is shown as \$0.00 because there are no per-call charges that apply. Id. & Schedule 1.

Under SBC Illinois' proposal, customers with an unlimited calling plan who choose to have their call detail suppressed will receive, as part of their bill each month, a usage summary, giving the total number of calls made and the total number of minutes used during the preceding billing period. See SBC Illinois Ex. 1.0 at 3. Only zero-rated calls (i.e., shown as \$0.00) that are part of the unlimited plan will have the call detail suppressed and be included in the summary. Local toll or long distance ("toll/LD") calls that are outside the customer's unlimited plan, such as international calls or credit card calls, will continue to be displayed on the bill with all of the detail that is displayed today. See id. at 5 & Schedule 2. Those customers with unlimited calling plans that do not elect to suppress their toll/LD call detail will continue to receive the listing of the calls, as they do today, even though each call will be zero-rated. SBC Illinois Ex. 1.0 at 3.

A customer who chooses toll/LD suppression may change this election at any time and, on a going forward basis, receive the call detail associated with her unlimited toll/LD calls. Id. at 5-6. A customer may also ask SBC to retrieve and provide toll/LD detail for the prior 24-month period (at least) in the event she wishes to see the calls that were made in a particular month. Id. at 6. There would be no additional charge for requesting previous bills with toll/LD usage in detailed format, and there would be no charge for turning the detail back on at any time should the customer request it. Id. at 6.

SBC developed the toll suppression option as a result of customer research it conducted throughout its service territory, including focus groups held in Chicago. Id. at 4. This research revealed that customers prefer a bill that is simple and is as close to one page as possible. Id. The surveyed customers indicated that, to achieve a shorter bill,

they were willing to forego the call detail for calls included in an unlimited calling plan.
Id.

SBC Illinois framed its petition with regard to unlimited calling plans that customers purchase from SBC Illinois, including SBC Long Distance toll plans for which SBC Illinois provides billing under a Billing and Collection (“B&C”) agreement. See SBC Illinois Ex. 1.0 at 6. SBC Illinois is willing, however, to offer call detail suppression to its end-user customers who use an interexchange carrier (“IXC”) other than SBC Long Distance, as long as the following circumstances exist: 1) the IXC has a B&C agreement with SBC Illinois through which the IXC bills its customers; 2) the IXC offers unlimited calling plans to its customers and wants to offer those customers the option of suppressing call detail; 3) the IXC agrees to retrieve and provide, for customers who request it, past toll/LD detail for at least 24 months of previous bills; and 4) the variance granted by the Commission is phrased broadly enough to be applicable to SBC Illinois’ billing of unlimited calling plans on behalf of SBC Long Distance or any other IXC. See SBC Response to Verified Statement of Joan S. Howard at 2; Tr. at 74-75.

Staff submitted a Verified Statement stating that it had no opposition to SBC Illinois’ petition, as long as SBC Illinois was willing to make the suppression option available to any of its local service customers, regardless of the customer’s IXC or toll carrier. Verified Statement of Joan S. Howard at 6; Tr. at 19. Staff also sought assurance that customers could obtain 24 months of past toll detail upon request. Verified Statement of Joan S. Howard at 4, 5; Tr. at 19-20. SBC Illinois indicated its agreement with Staff’s conditions. See SBC Response to Verified Statement of Joan S. Howard at 2.

Argument

Section 735.50 requires that the Commission, before granting a waiver, consider three criteria: 1) whether the rule from which a waiver is requested is mandated by statute; 2) whether anyone would be harmed by granting the waiver; and 3) whether the rule from which a waiver is requested is unduly burdensome. SBC Illinois' petition meets each of these criteria.

First, SBC Illinois is not aware of any statutory requirement to present call detail on a customer's bill. Staff also has not identified any such requirement. Accordingly, the first criterion is satisfied.

Second, the record here does not disclose any party who would be harmed if the waiver were granted. Suppression of call detail is optional; no customer is *required* to have it. A customer with an unlimited toll calling plan, who wants to receive her call detail every month, suffers no harm because nothing compels her to choose the suppression option. A customer who has requested suppression of call detail also suffers no harm. If a customer requesting suppression subsequently changes her mind, she can simply ask that the call detail be provided again – and that detail will again be included in her bill. And if a customer requesting suppression later wants the call detail from sometime during the prior 24 month period, she can simply ask for the detail for that period – and she can obtain that detail.

Indeed, the record shows that some parties would benefit if the petition were granted. Customers who do not want to receive their call detail benefit because they do not have to receive it. SBC Illinois also benefits because suppression of call detail allows

it to produce a shorter, simpler bill and thus to satisfy customers who want such a bill.

The second criterion is satisfied.

Third, the record also shows that Section 735.70(b)(1)(G) is burdensome, in that it precludes SBC Illinois from offering billing innovations such as the suppression option at issue here. The code provision assumes that a customer will be charged separately for each toll call she makes and thus might want details about each call to determine if she has been billed correctly. Now that many telecommunications carriers, including SBC Illinois, offer calling plans that include unlimited calling for a flat monthly rate, the average customer subscribing to such a plan presumably has little interest in details about particular calls. Because there is no separate charge for calls included in an unlimited calling plan, the customer now receives a bill with a column listing all the charges as \$0.00. The code provision thus is unduly burdensome, in this particular situation, because it prevents SBC Illinois from offering the toll suppression option to interested customers. As a result, the provision serves to deny both those customers and SBC Illinois the benefits of toll suppression described in the previous paragraph. The third criterion is satisfied.

SBC plans to offer the suppression option to interested customers throughout its service territory and thus had to request comparable rule waivers in several other states. SBC Illinois Ex. 1.0 at 7; Tr. at 23. Each commission from which SBC sought a waiver has granted that waiver. See Entry, *Amendment of the Minimum Telephone Service Standards as Set Forth in Chapter 4901:1-5 of the Ohio Administrative Code*, Case No. 00-1265-TP-ORD (Pub. Util. Comm'n of Ohio Feb. 4, 2004) (“*Ohio Waiver*”); Final Order Approving Limited Waiver of OAC 165:55-9-2, *Application of Southwestern Bell*

Telephone, L.P. d/b/a SBC Oklahoma Seeking a Limited Waiver of Oklahoma Administrative Code 165:55-9-2, No. PUD 200400193 (Okla. Corp. Comm’n Aug. 2, 2004); Final Decision, *Administrative Code Rule Waiver Request – Long Distance*, No. 6720-TI-190 (Pub. Serv. Comm’n of Wisc. Aug. 16, 2004) (“*Wisconsin Waiver*”); Order Granting Application for Waiver of Certain Telephone Billing Practices, *Application of Southwestern Bell Telephone, L.P. for Waiver of Certain Telephone Billing Practices*, No. 04-SWBT-996-MIS (Kan. Corp. Comm’n Sept. 3, 2004).¹

For example, the Ohio commission found that its billing rules contemplated traditional billing – in which the charge for a toll call depended on the call’s duration, the time of day it was made, and the distance covered – but did not contemplate flat-rate calling plans that include unlimited usage. The commission concluded that provision of the traditional billing detail would not be necessary to permit a customer with an unlimited calling plan to determine if she were billed correctly and thus that telecommunications carriers offering such plans should not be required to provide it. *Ohio Waiver* at 2; *see also Wisconsin Waiver* at 2. This Commission should reach a similar conclusion and grant SBC Illinois a variance from the provisions of 83 Ill. Admin. Code § 735.70(b)(1)(G).

¹ Copies of these orders are included as Attachments A-D of this brief.

Conclusion

For all of the foregoing reasons, SBC Illinois respectfully requests that its petition for variance be granted.

Respectfully submitted,

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